MARIN HEALTHCARE DISTRICT

100-B Drake's Landing Road, Suite 250, Greenbrae, CA 94904 **Telephone: 415-464-2090** **Fax: 415-464-2094**
www.marinhealthcare.org info@marinhealthcare.org

TUESDAY, DECEMBER 11, 2018

5:30 PM: CLOSED SESSION
6:30 PM: SPECIAL OPEN STUDY SESSION
7:00 PM: REGULAR OPEN MEETING

Board of Directors:
Chair: Ann Sparkman, JD
Vice Chair:
Secretary: Jennifer Rienks, PhD
Directors: Larry Bedard, MD
Harris Simmonds, MD
Brian Su, MD

Location:
Marin General Hospital
Conference Center
250 Bon Air Road
Greenbrae, CA 94904

Staff:
Lee Domanico, CEO
Colin Coffey, District Counsel
Louis Weiner, Executive Assistant

AGENDA Tab #

5:30 PM: SPECIAL CLOSED SESSION

1. Call to Order and Roll Call — Sparkman
2. General Public Comment — Sparkman
   Any member of the audience may make statements regarding any items on the agenda. Statements are limited to a maximum of three (3) minutes. Please state and spell your name if you wish it to be recorded in the minutes.
3. Review of previous Closed Session Minutes for Sept. 11, 2018 (action) — Sparkman
4. Closed Session
   a. Discussion involving Trade Secrets pursuant to H&S Code Section 32106 concerning new District/Hospital Programs, Services, Facilities and Strategic Planning — Domanico
5. Adjournment of Closed Session — Sparkman

A copy of the agenda for the Regular Meeting will be posted and distributed at least 72 hours prior to the meeting.
In compliance with the Americans with Disabilities Act, if you require accommodations to participate in a District meeting please contact the District office at 415-464-2090 (voice) or 415-464-2094 (fax) at least 48 hours prior to the meeting.
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6:30 PM: SPECIAL OPEN MEETING / BOARD STUDY SESSION

1.	Call to Order and Roll Call	Sparkman	
2.	General Public Comment *Any member of the audience may make statements regarding any items on the agenda. Statements are limited to a maximum of three (3) minutes. Please state and spell your name if you wish it to be recorded in the minutes.*	Sparkman	
3.	Update on Hospital Replacement Project "MGH 2.0"	Coss	#1
4.	Adjournment of Special Open Board Study Session	Sparkman	

7:00 PM: REGULAR MEETING

1.	Call to Order and Roll Call	Sparkman	
2.	General Public Comment *Any member of the audience may make statements regarding any items NOT on the agenda. Statements are limited to a maximum of three (3) minutes. Please state and spell your name if you wish it to be recorded in the minutes.*	Sparkman	
3.	Oath of Office for Newly Elected and Re-Elected Board Members: Larry Bedard, MD; Jennifer Rienks; Brian Su, MD	Coffey	
4.	Approval of Agenda (action)	Sparkman	
5.	Approval of Minutes of Regular Meeting of November 13, 2018 (action)	Sparkman	#2
6.	Second Reading and Approval of MGH Bylaws Revision (action)	Coffey	#3
7.	MGH & MHD Boards Joint Nominating Committee a. First Reading of Nominee to the MGH Board of Directors, Joe Abrams	Domanico	#4
8.	Approval of Professional Services Agreement between Marin Healthcare District and Prima Medical Foundation (action)	Domanico	#5
9.	Approval of the Assignment of MHD Professional Services Agreements and MHD Leases to Prima Medical Foundation (action)	Domanico	#6

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7:00 PM: REGULAR OPEN MEETING

10. Review of Q2 2018 Performance Metrics and Core Services Quarterly Report to the Boards	Domanico	#7
11. Committee Meeting Reports		
a. Finance & Audit Committee (met Nov. 27)	Bedard	
(1) Approval of MHD Operating Budget and 1206(b) Clinics Budget (action)		#8
b. Lease & Building Committee (met Nov. 28)	Simmonds	
c. Citizens' Bond Oversight Committee (met Nov. 28) Annual Report	McManus	#9
12. Reports		
a. District CEO's Report	Domanico	
b. Hospital CEO's Report	Domanico	
c. Chair's Report	Sparkman	
d. Board Members' Reports	All	
13. Adjournment of Regular Meeting	Sparkman	

Next Regular Meeting: Tuesday, January 8, 2019, 7:00 p.m.

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Tab 1

MARIN GENERAL HOSPITAL

MGH 2.0

Marin Healthcare District

Status Report

December 11, 2018

Agenda

- Construction Safety
- Status Report
- Construction Contract Budget Update
- Activation Update
- Questions

Construction Safety

Project	Total Work Hours	Safety Incidents
Hospital + West Wing Make Ready	460,000 Hours	4 Incidents
Total:	**460,000 Hours**	**4 Incidents**

MARIN GENERAL HOSPITAL

Status Report - Schedule Milestones

Schedule				
Risk	**Description**			
	Mitigate OSHPD Permit Delay & Steel Issue - Open Issue			
	Licensing Meeting - Nov 6, 2018			
	Exterior Building OSHPD Design Changes (5 Outstanding ACDs)			
Construction Schedule - May 01, 2018 Update (Revised Recovery Plan - In Progress)				
Risk	**Activity**	**Target**	**Actual**	**Comments**
	Concrete SOMDs Complete	Aug. 2018	Sept. 2018	Except minor blockouts
	Curtain Wall Install Start (BM - 25%)	Mar. 2018	Mar. 2018	
	Loading Dock Steel Start	Aug. 2018	Aug. 2018	
	Elevators Start	Oct. 2018		
	Framing Top Track Start	Jan. 2018	Jan. 2018	
	Interior Rough Start (BM - 30%)	Dec. 2017	Dec. 2017	
	Lobby North Wall Framing Start	Aug. 2018	Sept. 2018	
	Basement Wall Framing Start	Sep. 2018	Oct. 2018	
	Roofing Install Start	Aug. 2018	Sept. 2018	
	Production Drywall Start (BM - 50%)	Nov. 2018		
	Permanent Power Complete	Mar. 2019		
	Acoustical Grid Ceilings	Jan. 2019		
	Exterior Sunshades Complete (BM - 80%)	May. 2019		
	Begin Fire Alarm Testing (BM - 80%)	May. 2019		
	Begin Punchlist	Mar. 2019		

Status Report – Project Risk

Project Risk - Issues		
Risk	**Item**	**Status**
	Steel Issue - Continue Repairs/ Welds	Schedule Impacts - Recovery Schedule
	Basement/Lobby Ground Floor Construction	Critical Path
	West Wing Construction Connection	Project Starts 1st Quarter 2019
	Recover 45 Days within the Master Schedule	Continue Reducing Schedule Delays
	Weather Impacts	Possible Rain prior to Temporary Building Dry-in (Nov. 2018)

Status Report - Contingency, Owner Changes & Project Budget

Contingency

Owner			Construction	
Contingency at Start of Construction (A) =	$	20,300,000	Contingency at Start of Construction =	12,417,055
Total Owner Changes (Pending + Final) (B) =	$	6,208,000	% of Contingency Items (Pending+Final) =	55.5%
Total Contingency Remaining (A - B) =	**$**	**14,092,000**	Total Contingency Remaining =	5,524,574

Owner Changes

	Owner Change Order # - Description	Cost ($)	Status: Pending (P) Final (F)
	Approved Owner Changes (1-7)	**6,208,000**	**F**
	Pending	**0**	**P**
	Total =	**6,208,000**	

Project Budget

Risk		Approved Budget	Forecast
	MGH 2.0 Project Budget Total	**439,736,000**	**439,736,000**

Project Schedule

Risk		Approved Schedule	Forecast
	MGH 2.0 Project Hospital OSHPD Completion	**January 2020**	**January 2020**
	MGH 2.0 Project Hospital First Patient	**June 2020**	**June 2020**

MGH 2.0 New HRB Project Status Report

MGH 2.0 For Marin's Good Health

MGH 2.0 New Hospital Replacement (HRB) Project Status Report
Submitted By The Design Build Team

November 2018

Schedule

Risk	Description
	Mitigate OSHPD Permit Delay & Steel Issue - Open Issue
	Licensing Meeting - Nov 6, 2018
	Exterior Building OSHPD Design Changes (5 Outstanding ACDs)

Construction Schedule - May 01, 2018 Update (Revised Recovery Plan - In Progress)

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	Begin Fire Alarm Testing (BM - 80%)	May. 2019		
	Begin Punchlist	Mar. 2019		

Weather / Rain Bank

Risk	Activity	Approved	Used to Date	Comments
	Weather Days Through end of Oct. 2018	57	42	

Upcoming Activites - Construction

Risk	Activity	Target	Actual	Comments
	Temporary Building Dry-In	Nov. 2018		
	Level 1-West Corridor Complete	Dec. 2018		
	Remaining Exterior Site Utilities	Jan. 2019		

Schedule Impact

Risk	Activity	Comments
	Increment 3 - Shoring Schedule Delay	1.5 month delay
	Increment 4 - Steel	1 month delay
	Increment 5 - Interior	2 week delay
	Steel Issue	Schuff Steel Impact

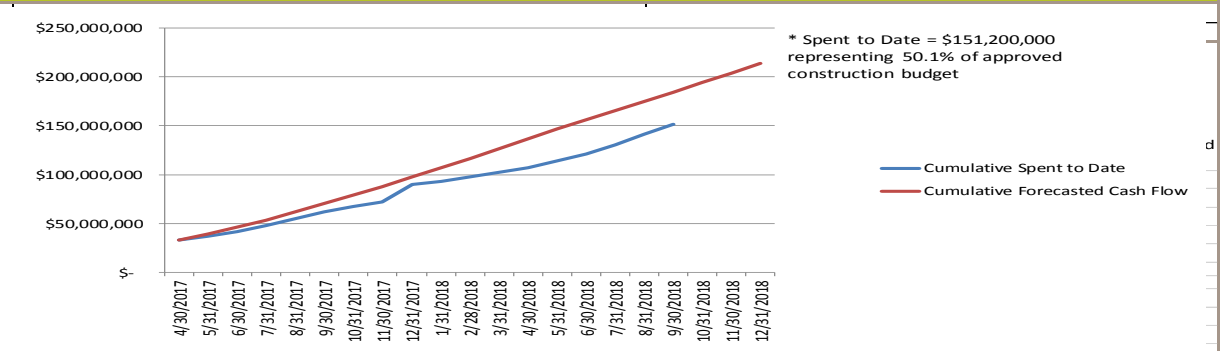
Risk Category

	Green	On Track
	Yellow	Medium Impact : Potential Risk / Unresolved
	Red	Critical or High Impact

Project Risk - Issues

Risk	Item	Status
	Steel Issue - Continue Repairs/ Welds	Schedule Impacts - Recovery Schedule
	Basement/Lobby Ground Floor Construction	Critical Path
	West Wing Construction Connection	Project Starts 1st Quarter 2019
	Recover 45 Days within the Master Schedule	Continue Reducing Schedule Delays
	Weather Impacts	Possible Rain prior to Temporary Building Dry-in (Nov. 2018)

Cash Flow - Construction



Contingency

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Project Schedule

Risk		Approved Schedule	Forecast
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	MGH 2.0 Project Hospital First Patient	**June 2020**	**June 2020**

Design Build Hospital Construction Budget

- Final Design Build Contract Price is $305.15M, within the overall Hospital Budget of $439.736M.
- Final contract modifications for Final Design Build Contract Price targeted to be complete by end of year.
- The marketplace for the remaining $32M was very heated and competitive.
- The majority of the work was procured before the heated marketplace, allowing the total project to finalize within budget.

MARIN GENERAL HOSPITAL

Activation Planning

Q4 2018

Operations and People

ACT 2020: Activation and Transition

Karin Reese, Chief Nursing Officer
Lillian Chan, ACT 2020 Transition Director

District Board – Dec. 11, 2018

MARIN GENERAL HOSPITAL

Today's Agenda

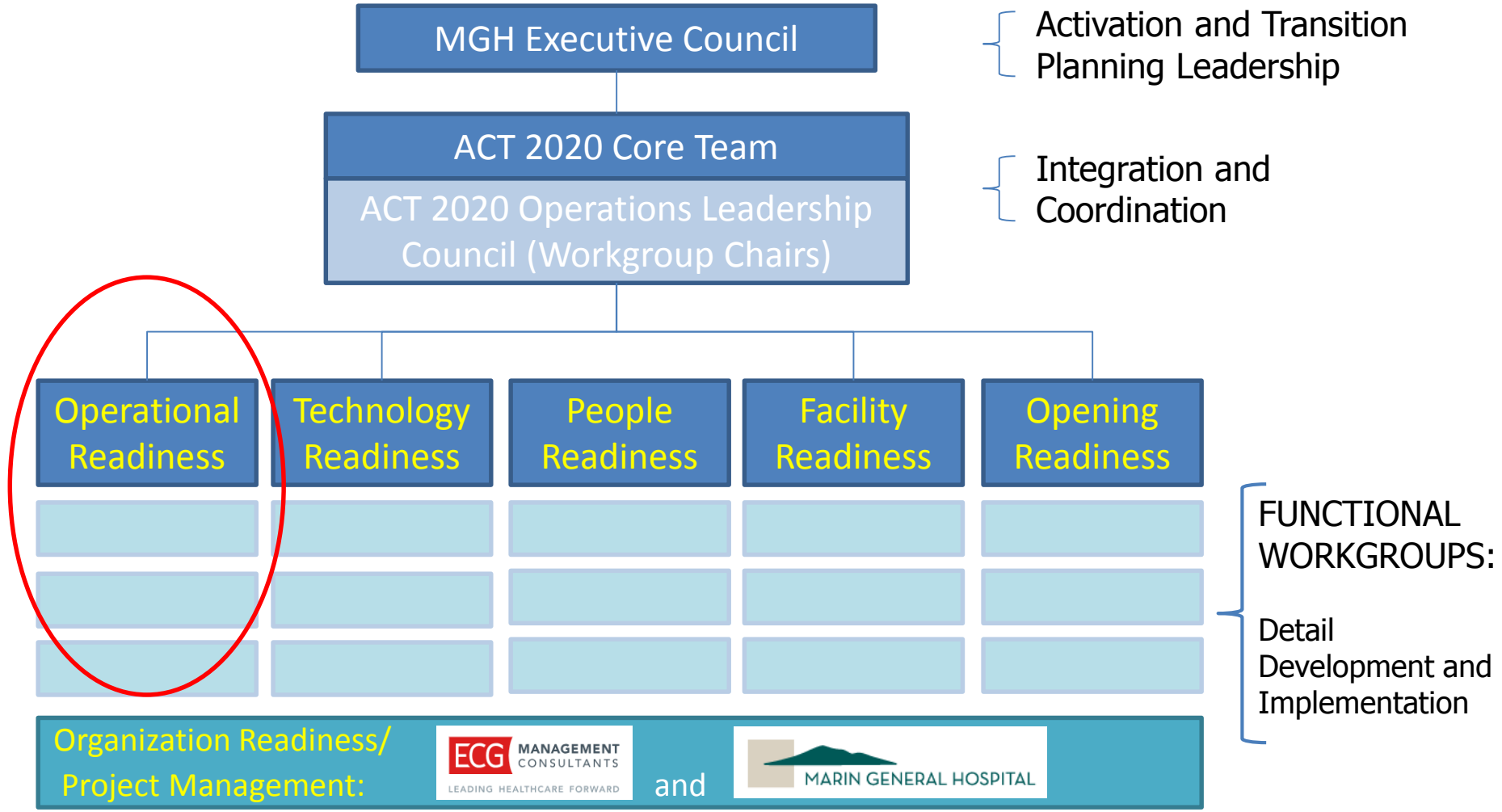
What is ACT 2020 – Activation and Transition?

How is it different from MGH 2.0?

What are ACT 2020 Functional Workgroups?

What are goals and success factors?

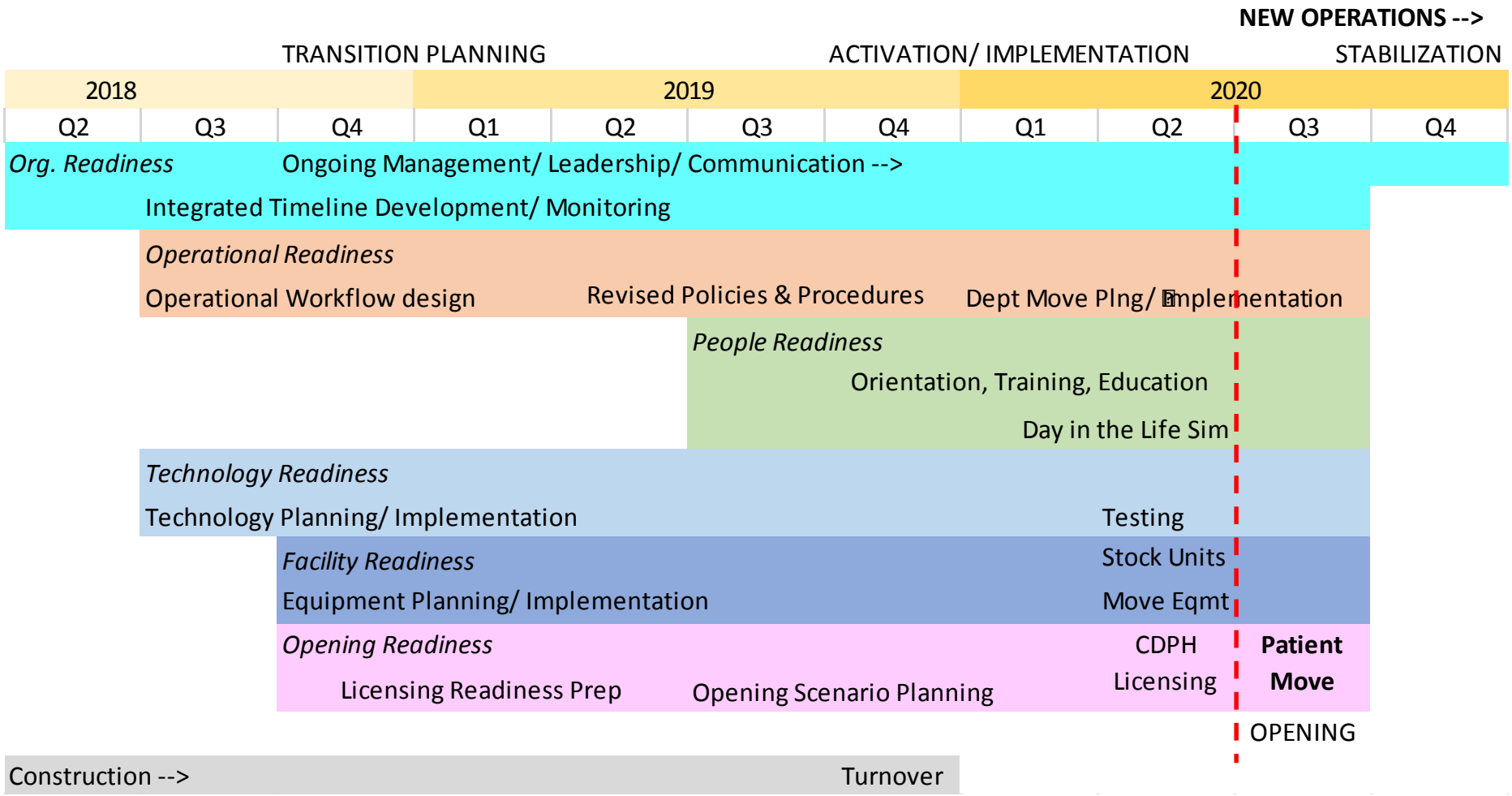
ACT 2020 Structure - 6 Major Work Streams



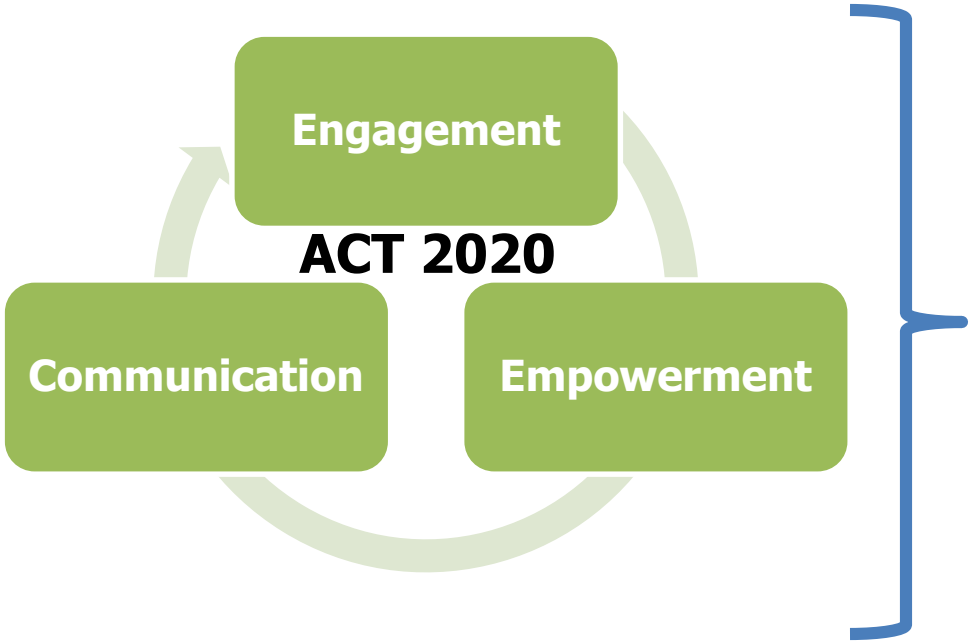
ACT 2020 Functional Workgroups

Functional Workgroup (Operational Workflow and Plans)	Other Transition Work and Groups
Inpatient Med-Surg (3rd and 4th Floors)	P&Ps, Licensing Survey Readiness
Intensive Care/ SCU Services	Dept. Level Orientation and Training
WIC - Labor & Delivery, Post Partum, NICU	Facilities/ Room Readiness
Interventional/ Periop Services	IT Systems, Devices, Telephony Integration
Emergency Department	Applications software systems updates
Imaging/ Radiology	Dept. Move Planning and Implementation
Materials Management/ EVS	Equipment Logistics
Pharmacy Services	Patient Move Day Plan, Command Center
Laboratory Services	Communications/ Public Affairs
Food & Nutrition Services	Other workgroups as needed
Admitting, Registration, Care Coordination	
Security Services	

Transition Timeline – A High Level Roadmap



3 Key Success Factors



Expected Outcomes
Safe and efficient care delivery
Positive patient and staff experience
Advancing Relationship-Based Care culture

In Summary…

ACT 2020: *Preparing the People for the building, and the building for the People*

Engagement, Empowerment, and Communications are key to our success

Collaboration and Relationship Based Care (RBC) guide our work now and in the future

Questions?

MARIN GENERAL HOSPITAL

Tab 2

MARIN HEALTHCARE DISTRICT
BOARD OF DIRECTORS

REGULAR MEETING

Tuesday, November 13, 2018 @ 7:00 pm
Marin General Hospital, Conference Center

MINUTES

1. **Call to Order and Roll Call**
Chair Ann Sparkman called the Regular Meeting to order at 7:00 pm.

Board Members Present: Chair Ann Sparkman; Vice Chair Jennifer Hershon; Secretary Jennifer Rienks; Director Larry Bedard, MD; Director Harris Simmonds, MD
Staff Present: Jon Friedenberg, COO; Jim McManus, CFO; Louis Weiner, Executive Assistant
Counsel Present: Noel Caughman

2. **General Public Comment**
Comments made by Suzanna Farber (Teamsters rep), Kelly (lab assistant), Coleen (tech), Donald (phlebotomist), Robert Belknap MD, Deborah Berthold

3. **Approval of Agenda**
Director Bedard moved to amend the agenda to have Mr. Friedenberg give his Hospital COO report at this time, to have him respond to the public comments on the subject of the sale of MHD outpatient labs to Quest. Vice Chair Hershon seconded the motion to amend the agenda. Vote: all ayes.

4. **Hospital COO's Report**
Mr. Friedenberg reported on the sale of the outpatient labs to Quest. In 2014, the federal government announced that acute-care hospitals must give up outpatient lab business and gave the industry several years to comply. This is because the cost structure for hospitals proving this service is so much higher than for non-hospital providers. Hospitals nationwide are now acting on this. MGH has chosen Quest Diagnostics for reasons that include: high quality lab services at a lower cost to consumers; MGH lab handles stat orders for quickest turnaround; Quest will enable MD's to receive lab results as they currently get them from MGH; Quest will meet relevant quality metrics; Quest has scheduling capabilities that will improve access and convenience for consumers; Quest can make results available to consumers electronically via computer, tablet, smartphone via dedicated app. MGH IT Dept is working with Quest to make it possible to push test results into the MGH system; then, as MGH integrates with the UCSF Epic system, test results will be pushed into that as well.

"ACT 2020" is well underway, the structured planning work being done for moving into the new hospital. There are 14 task forces of 141 people that include physicians, clinicians, administration, and other support staff.

He commended the extraordinary teamwork done by all teams – ED/Trauma, OR, Surgery (including UCSF neuro), ICU, ancillary – in handling the recent tragic shooting event at Helen Vine Center.

Director Bedard asked about pediatrics in the new hospital. Mr. Friedenberg explained that there will not be a separate peds unit but there will be licensed peds beds. MGH peds inpatient census is now consistently very low (less than one patient per day); MGH treats low acuity patients while modest acuity patients go to the area children's hospitals.

5. Approval of Minutes of Regular Meeting of October 9, 2018

Director Simmonds moved to approve the minutes as presented. Director Bedard seconded. Vote: all ayes.

6. Approval of MGH Bylaws Revision

This revision of the MGH Bylaws states that Physician Directors on the MGH Board shall serve no more than four years. Counsel Caughman clarified and corrected the agenda that this is the first reading of the revision by the District Board with no action taken tonight. The second, and actionable, reading will be at the next Regular Meeting of the MHD Board on December 11, 2018

7. MGH & MHD Boards Joint Nominating Committee

a. Second Reading and Approval of UCSF Nominees to the MGH Board of Directors, Mark Laret, and Joshua Adler MD

Director Simmonds moved to approve both nominations. Secretary Rienks seconded. Vote: Simmonds, aye; Rienks, aye; Bedard, aye; Hershon, aye; Sparkman, recused. Motion approved.

8. Approval of Board and Committee Meeting Schedule 2019

Director Simmonds moved to approve the schedule as presented, acknowledging that all dates are subject to change. Secretary Rienks seconded. Vote: all ayes.

9. Committee Meeting Reports

a. Finance & Audit Committee (met Oct. 23, 2018)

(1) Approval of Under Arrangements Agreement for Outpatient Diagnostic Services related to Pre-Admission Testing Center

Director Bedard reported that this agreement was reviewed and recommended for approval by the Committee. He noted that this is similar to other "under arrangement" agreements, and there is no cost to the District.

Secretary Rienks moved to approve as presented. Director Simmonds seconded.

Vote: Rienks, aye; Simmonds, aye; Bedard, aye; Hershon, abstain; Sparkman, abstain. Motion approved.

b. Lease & Building Committee

Director Simmonds reported on the "Men's Health" public forum presented on October 16. The host and presenter were excellent and the presentation was well

received by the 20 or so attendees. It was live streamed on Facebook, followed by about 150 people. The video is being edited for posting.

10. Reports

a. District COO's Report

Mr. Friedenberg reported that MGH 2.0 construction continues on time and on budget. The exterior panels are all nearly complete ahead of anticipated rain. A hard-hat tour for MHD Board members is being planned for the spring.

b. Hospital COO's Report

Report given earlier (item 4, above).

c. Chair's Report

Chair Sparkman thanked Vice Chair Hershon for her contributions and service on this Board for the past 4 years. She did not run for re-election, her term will be completed and she is moving out of Marin County.

d. Board Members' Reports

Each Board member voiced their thanks to Vice Chair Hershon for her service on this Board. She in turn expressed her thanks for the opportunity to serve.

Secretary Rienks reported that the number of mental health beds in California will be increasing, and that she has a report from the American Hospital Association on progress in mental health care services.

Director Bedard observed that immigration issues and rules threaten to keep people afraid to seek medical care. DHS has published a proposed rule related to public charge, and the public comment period ends on December 10.

11. Adjournment

Chair Sparkman adjourned the meeting at 8:07 pm.

Tab 3

PROPOSED REVISION TO THE BYLAWS OF MARIN GENERAL HOSPITAL

4.5 Term.

Directors, other than the CEO, the Chief of Staff (if an ex officio member), Physician Directors, and Special Member Nominees, shall serve four year terms. Special Member Nominees shall serve two year terms. Directors' terms shall be considered commenced in January of the calendar year of appointment. Directors can serve, if reappointed, a maximum of three terms. Physician Directors appointed pursuant to Section 4.3(b) after 2018 shall serve one four year term. If Board membership is less than 11 members upon the expiration of a Director's third term, the Board may appoint the Director to an additional one year term, up to a maximum of three such extensions. No Director may serve more than 15 years or be appointed to a term that would result in service of more than 15 years. Notwithstanding the foregoing, to promote staggered incumbent terms, the Directors first seated in 2010, or Directors replacing members first seated in 2010, shall by a rotation determined by the Board prior to the expiration of their terms in 2018, each serve successive terms according to the following schedule:

		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
CEO		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
General Directors	1					●				▲				●					
	2					●				▲				●					
	3					●				●	▲				●				
	4					●				●	▲				●				
	5					●				●		▲				●			
	6					●				●		▲				●			
	7					●				●			▲				●		
	8					●				●			▲				●		
	9					●				●				▲				●	
	10					●				●				▲				●	
	11		▲				●				●				▲				●
	12		▲				●				●				▲				●

● = Reconfirmation
▲ = New Director Appointment (Seats 11 and 12 to commence terms in actual year of appointment)

To maintain staggered incumbent terms after 2018 consistent with the above chart's established seat terms, and upon the recommendation of the Nominating Committee, new Directors, other than the CEO, appointed to serve initial terms or to fill vacancies created prior to expiration of the former Director's term, shall be appointed to hold office for an initial term designated by the Board at the time of appointment of 1 to 4 years or, in the case of Special Member Nominees, 1 to 2 year terms. At the time of appointment the Board shall also designate whether the new Director may serve, if re-appointed, 1 to 3 additional year terms or, in the case of a Special Member Nominee, 1 to 3 additional two year terms; however, no Director shall be eligible for, or appointed to, a new term that would cause the Director to serve more than 15 consecutive years. Notwithstanding the foregoing, Physician Directors appointed pursuant to Section 4.3(b) after 2018 shall serve no more than four years, regardless of their predecessor's unexpired length of term remaining. Former Directors are eligible for new appointments to the Board after having left the Board for at least two full years.

Tab 4

JOE ABRAMS

(W) 415-747-8750 (C) 415-847-2527
jabrams@toolworks.com

EDUCATION

B.A., Economics, SUNY at Buffalo, Buffalo, NY. June 1972

MBA, Finance, University of Rochester, Rochester, N.Y. June 1974

WORK EXPERIENCE

Nov 1983 – Sept 1995 Co-founder, The Software Toolworks, Inc. Novato, CA

Nov 1983 – Feb 1990 President and Chief Operating Officer.
Responsible for all operating functions in growth from startup to $50 million in annual revenue after six years.
Completed IPO in Feb 1988 and interfaced with investment community.

Feb 1990 – May 1994
Negotiated and completed two secondary offerings raising over $100 million in the capital markets.
Helped negotiate sale of company to Pearson. Plc. For $462 million in April 1994

Sep 1998 – September 2005 Co-founder, eUniverse, Inc. InterMix Media (MIX)
Helped launch this entertainment destination portal, (best known for its property, MySpace) with over $80 million annual revenue.
Various responsibilities including merger & acquisitions, strategic planning, capital structure, and public market launch and research.
Sold to NewsCorp September 2005 for $580 million

April 1994 – present. Early stage investor and advisor to various technology and consumer companies. Some examples include:

Akeena Solar September 2006 – 2010 (NASDAQ:AKNS). Board of Advisors. Original seed investor and advisor. Helped launch small IPO in September 2006. Completed several acquisitions and capital raises. Market cap increase 15 fold in one year to $400,000,000.

ZAGG (NASDAQ:ZAGG) June 2005- September 2008 Seed investor and advisor. Co-engineered public offering for a mobile accessory company. Market cap increased from $13 to $300 million.

OTHER EXPERIENCE

Current Member Simon Advisory Council. Currently advisor for William Simon School of Business, University of Rochester, Rochester, NY.
Awarded Distinguished Alumni Award while giving commencement address, June 2017

Co-Chairman, Marin General Hospital Capital Campaign, Marin County, California.

Tab 5

TERM SHEET

FOR CLINICS AND PROFESSIONAL SERVICES AGREEMENT

(the "AGREEMENT")

Parties: Marin Healthcare District ("MHD") and Prima Medical Foundation ("PMF")

Effective Date: December 1, 2018

Term: Ten years; coextensive with the term of the OCSA (defined below).

More specifically, January 1, 2019 (the "Commencement Date") to January 1, 2029, unless earlier terminated as set forth in the OCSA or the Agreement. Thereafter, the Agreement shall be automatically renewed for additional successive five year periods.

Background and Purpose: MHD owns and operates clinics providing primary and specialty care at the locations set forth in Exhibit A (collectively, the "MHD Clinics") and maintains contracts with physicians and surgeons who are engaged by MHD to provide the Services (as defined below).

By the terms of the Agreement, PMF engages MHD to provide clinical facilities and professional services and other services to or on behalf of PMF, in furtherance of the following objectives:

- PMF and the University of California on behalf of UCSF Health ("UCSF") are Parties to that certain Outpatient Clinics Services Agreement, dated September 6, 2018 (the "OCSA"), pursuant to which UCSF shall control and operate outpatient clinics owned by PMF and its subcontractors (collectively the "Clinics") and PMF shall provide or arrange for the provision of MHD Physicians to UCSF to render professional medical services to patients who receive professional medical services at the MHD Clinics ("Clinic Patients").

- PMF and MHD desire that MHD shall become PMF's Subcontractor, as that term is defined in the OCSA, with respect to the provision of the MHD Clinics and the services of MHD Physicians to UCSF under and pursuant to the OCSA.

Compensation: **By PMF to MHD**. As compensation to MHD for the provision of Services under the Agreement, PMF shall assume, and be responsible directly to pay, all of MHD's documented reasonable and necessary operating expenses incurred by MHD in connection with the performance of Services, in accordance with the Budget.

Compensation of Individual MHD Physicians. MHD's compensation system shall at all times be structured in a manner that complies with all federal and state physician self-referral (including Stark Law), anti-kickback and other applicable laws as they may apply to the direct and indirect relationships created under the Agreement among MGH, PMF, MHD, the MHD Physicians and any other applicable health care providers.

UCSF Control: **Clinics**. The OCSA and the MHD Clinics shall be controlled and operated by UCSF in compliance with UCSF's policies and procedures (as determined by UCSF in its sole discretion and as amended from time to time by UCSF).

Third-Party Payer Contracting. UCSF shall have responsibility for all managed care and payer contracting with respect to the services provided to the Clinic Patients at the MHD Clinics. All revenues from all such contracts resulting from the services provided by MHD at the MHD Clinics shall be UCSF's property.

Establishing Fees. Any and all charges for Services provided by MHD Physicians to Clinic Patients shall be set by UCSF.

Billing and Collection. All revenues, income, expense reimbursement, and other payments related to or received with respect to the Services of MHD Physicians performed at the MHD Clinics shall be deemed to be revenues of, and belong to, UCSF. UCSF shall be responsible for all claims processing, billing and collection activities. Billings shall be in the name of UCSF and shall reflect a UCSF provider number.

Services:

Professional Services. MHD will provide, through MHD Physicians, those professional services that MHD Physicians are qualified to provide within their respective specialties for any and all individuals receiving medical care, diagnosis or treatment at the MHD Clinics and at such other sites or locations or service as may be required and agreed upon by MHD and PMF.

Call Coverage Services. MHD shall, through MHD Physicians, provide those physician call coverage services required to be provided under PMF's call coverage arrangements with MGH, Sonoma Valley Hospital, Sonoma Valley Community Health Center, Novato Community Hospital, and other hospital or health care facilities located within Marin County or Sonoma County.

Medical Director Services. MHD shall, through MHD Physicians mutually agreed upon by PMF and MHD, provide those medical director services required to be provided under PMF's medical director services arrangements with MGH, Sonoma Valley Hospital, Novato Healthcare Center, and other hospital or health care facilities located within Marin County or Sonoma County.

MHD Physician Qualifications. In addition to the standard qualifications that MHD normally requires, MHD shall also require that all MHD Physicians:

- be of high repute and good standing in the community according to UCSF's "Code of Conduct" and as determined by UCSF in its reasonable discretion;
- comply with all credentialing criteria, including any best practice elements, as may be adopted from time to time by UCSF; and
- sign and deliver to PMF an acknowledgement in the form attached as Exhibit 2.6(j) to the Agreement.

Facilities:

Facilities. MHD shall provide for or arrange for the provision of the land, buildings and medical office space for the MHD Clinics to UCSF at the locations listed in Exhibit A. MHD grants to UCSF a non-transferable, exclusive license to use, occupy, or refer to such land, buildings, medical office space, fixtures, personal property, and furnishings of the MHD Clinics solely for and in connection with the operation of the Clinics pursuant to the OCSA.

Landlord's Consents. Prior to the Commencement Date, MHD shall obtain from the landlords of each of the MHD Clinic locations and deliver to UCSF and PMF any and all consents and approvals necessary and/or required under all of the applicable leases between

MHD and said landlords in order for UCSF to have the right to use and occupy the premises.

Equipment. MHD shall provide all necessary equipment for the treatment of patients at the MHD Clinics.

Supplies. PMF shall provide all supplies necessary for the proper operation of the MHD Clinics.

Personnel. PMF shall employ or arrange for all non-physician personnel required for the proper operation of the MHD Clinics.

Budget. PMF will, in consultation with MHD, develop and implement an annual operating and capital budget for the MHD Clinics.

Patient Charts. PMF shall assist MHD and MHD Physicians to create and maintain patient medical records and billing records ("Patient Charts"). The Patient Charts shall be the sole property of UCSF, and will be available for inspection by its representative at all times. PMF shall provide MHD and MHD Physicians with continuous and immediate access to Patient Charts as necessary for ongoing care of Clinic Patients and for other purposes as permitted by applicable laws and regulations.

EHR. From the Commencement Date until the EHR Operational Date, MHD shall provide, or arrange for the provision of, workstations and a network (the "Technology") necessary to support PMF's electronic health record and practice management systems for the MHD Clinics. From and after the EHR Operational Date (as defined in Section 4.2 of the OCSA), MHD shall provide the Technology capable of supporting UCSF's electronic health record and practice management systems for the MHD Clinics.

Support Services. PMF shall provide or arrange for the provision of, and pay for, the provision of administrative support reasonably necessary for the operation of MHD and the MHD Clinics, including but not limited to accounts payable services, payroll services, insurance and risk management services, financial accounting, etc.

Exclusivity; Non-competition:

Exclusivity. MHD and the MHD Physicians shall provide direct patient care, including consultations, solely to Clinic Patients and/or at such other health care facilities as requested by PMF from time to time, and all revenues from such care shall be deemed UCSF revenue.

Noncompetition. Neither MHD nor any of the MHD Physicians shall initiate, encourage, or directly or indirectly own, manage, join, control, consult with, engage with, be employed by, act in the capacity as officer, director, shareholder, member, or employee, or otherwise participate in any manner in the ownership, management, operation, or control of any business or person providing health care services within the Counties of Marin and Sonoma.

Termination:

Either party may terminate the Agreement for cause, which shall be limited to the following defaults by the other Party:

- Within 30 days upon a material failure by the defaulting Party to perform any material obligation required hereunder;
- Immediately upon a loss by MHD of its eligibility to participate in any Federal Health Care Program;

- Immediately upon bankruptcy; or

- Upon six (6) months prior written notice if either Party determines in good faith based on advice of qualified legal counsel that any federal, state, or local law or regulation prohibits the relationship of the Parties as presently structured under the Agreement.

Indemnity: PMF shall defend, indemnify, and hold harmless MHD, its directors, officers, agents, employees, and attorneys ("MHD Indemnified Persons") from and against any and all claims, demands, liabilities, losses, damages, costs, and expenses, including reasonable attorneys' fees, resulting in any manner, directly or indirectly, from:

- The negligent or intentional acts or omissions of PMF or its employees, independent contractors, or agents; and

- The negligent or intentional acts or omissions of employees of MHD, in circumstances where the act or omission giving rise to a potential claim occurred at the specific direction of PMF or its employees, independent contractors, or agents.

PMF shall defend, indemnify and hold the MHD Indemnified Persons free and harmless from and against any and all claims arising out of, related to, or in connection with the Agreement and/or the services, including, regardless of the extent to which the negligent or intentional acts or omissions of any MHD Indemnified Person caused or contributed to the claim or claims.

PMF shall have no obligation to indemnify or defend the MHD Indemnified Persons solely with respect to the proportion of any claim that a court or tribunal determines is directly attributable to specific direction from the MHD Board of Directors that unreasonably rejects the recommendations of PMF or MGH staff providing management services to MHD.

Notwithstanding the foregoing, the above provisions are intended to apply only to claims and liabilities that are not covered by or that exceed the policy limits of applicable insurance coverage.

* * *

EXHIBIT A

MHD CLINIC LOCATIONS

[To be updated]

Bon Air Internal Medicine
2 Bon Air Rd, Ste. 150, Larkspur, CA 94939

Cardiovascular Center of Marin
75 Rowland Way, Ste. 250, Novato CA 94965
2 Bon Air Road, Ste. 100, Larkspur, CA 94939
558 Third Street West, Sonoma, CA 95476 (moving from)
651 1st Street West, Ste K, Sonoma, CA 95476 (moving to/est 9/29/18)

Marin Endocrine Center
900 South Eliseo Drive, Ste. 201, Greenbrae, CA 94904
75 Rowland Way, Ste. 200, Novato, CA 94945

Marin Internal Medicine
1341 South Eliseo Drive, Ste. 200 Greenbrae, CA 94904

Marin Psychiatric Group
75 Rowland Way, Ste. 200, Novato, CA 94945
240 Bon Air Road, Greenbrae CA 94904
100A Drakes Landing Road, Ste 225, Greenbrae CA 94904
Men's Health Center
1240 S Eliseo Drive, Ste. 101, Larkspur, CA 94939

North Bay Family Medicine
75 Rowland Way, Ste 230, Novato CA 94945

North Bay Rheumatology
2 Bon Air Road, Ste. 150, Larkspur, CA 94939
75 Rowland Way, Ste. 200, Novato, CA 94945

North Bay Urology
1240 S Eliseo Drive, Ste. 101, Larkspur, CA 94939
75 Rowland Way, Ste. 200, Novato, CA 94945
651 1st Street West, Ste. L, Sonoma, CA 95476
3250 Beard Road, Napa, CA 94558
1496 Professional Drive, Ste. 603, Petaluma, CA 94953

North Marin Internal Medicine
75 Rowland Way, Ste. 200, Novato, CA 94945

Regina Widman, MD Family Practice
San Rafael Medical Center
706 D Street, San Rafael, CA 94901

Sirona Vascular Center
1100 South Eliseo Drive, Ste. 2A, Greenbrae, CA 94904
75 Rowland Way, Ste. 200, Novato, CA 94945
651 First Street West, Ste. H, Sonoma, CA 95476
2281 Cleveland Avenue, Santa Rosa, CA 95403

Tamalpais Internal Medicine
23 Reed Boulevard, Suite 120, Mill Valley, CA 94941

Tab 6

Marin Healthcare District

Creating a healthier Marin together.

TO: MHD Board of Directors

FROM: Lee Domanico, Chief Executive Officer

RE: Approval of the Assignment of MHD PSA's and MHD Leases to PMF

DATE: December 11, 2018

Background:

- Prima Medical Foundation ("PMF") and the University of California on behalf of UCSF Health ("UCSF") are parties to that certain Outpatient Clinics Services Agreement, dated September 6, 2018 (the "OCSA"), pursuant to which UCSF shall control and operate clinics owned by PMF and its subcontractors.

- MHD currently:

    - owns and operates a number of 1206(b) clinics (the "MHD Clinics") providing primary and specialty care services (the "MHD Clinics"),

    - maintains professional service agreements with physicians and surgeons to provide professional services at the MHD Clinics (the "MHD PSAs"), and

    - is party to a number of leasing arrangements with third party landlords for use of the space in which the MHD Clinics operate ("MHD Leases").

- In furtherance of the OCSA, it is in the best interest of MHD to assign the MHD PSA's and MHD Leases to PMF to allow PMF to fulfill its obligations to UCSF under the OCSA. After the assignment PMF will assume all of the rights and obligations of MHD under the MHD PSA's and MHD Leases.

Requested Action by the Board:

Motion based on management's recommendation:

"To provide management with authority to assign the MHD PSA's to PMF as needed, in furtherance of the UCSF OCSA."

"To provide management with the authority to assign the MHD Leases to PMF, as needed, in furtherance of the UCSF OCSA."

Tab 7

MARIN GENERAL HOSPITAL

250 Bon Air Road, Greenbrae, CA 94904
t » 415-925-7000

Marin General Hospital

Performance Metrics and Core Services Report

2nd Quarter 2018

December 4, 2018

Marin General Hospital

Performance Metrics and Core Services Report: **2nd Quarter 2018**

TIER 1 PERFORMANCE METRICS

In accordance with Tier 1 Performance Metrics requirements, the MGH Board is required to meet each of the following minimum level requirements:

		Frequency	Status	Notes
(A) Quality, Safety and Compliance	1. MGH Board must maintain MGH's Joint Commission accreditation, or if deficiencies are found, correct them within six months.	Quarterly	In Compliance	The Joint Commission granted MGH an "Accredited" decision with an effective date of July 16, 2016 for a duration of 36 months. Next survey to occur in 2019.
	2. MGH Board must maintain MGH's Medicare certification for quality of care and reimbursement eligibility.	Quarterly	In Compliance	MGH maintains its Medicare Certification.
	3. MGH Board must maintain MGH's California Department of Public Health Acute Care License	Quarterly	In Compliance	MGH maintains its license with the State of California.
	4. MGH Board must maintain MGH's plan for compliance with SB 1953.	Quarterly	In Compliance	MGH remains in compliance with SB 1953 (California Hospital Seismic Retrofit Program).
	5. MGH Board must report on all Tier 2 Metrics at least annually.	Annually	In Compliance	4Q 2017 (Annual Report) was presented to MGH Board and to MHD Board in June 2018.
	6. MGH Board must implement a Biennial Quality Performance Improvement Plan for MGH.	Annually	In Compliance	MGH Performance Improvement Plan for 2018 was presented for approval to the MGH Board in June 2018.
	7. MGH Board must include quality improvement metrics as part of the CEO and Senior Executive Bonus Structure for MGH.	Annually	In Compliance	CEO and Senior Executive Bonus Structure includes quality improvement metrics.
(B) Patient Satisfaction and Services	MGH Board will report on MGH's HCAHPS Results Quarterly.	Quarterly	In Compliance	**Schedule 1**
(C) Community Commitment	1. In coordination with the General Member, the MGH Board must publish the results of its triennial community needs assessment conducted with other regional providers pursuant to SB 697 (1994) to assess MGH's performance at meeting community health care needs and its planning for meeting those needs.	Annually	In Compliance	Reported in Q4 2017
	2. MGH Board must provide community care benefits at a sufficient level to maintain MGH's non-profit tax exempt status.	Quarterly	In Compliance	MGH continues to provide community care and has maintained its tax exempt status.
(D) Physicians and Employees	MGH Board must report on all Tier 2 "Physician and Employee" Metrics at least annually.	Annually	In Compliance	Reported in Q4 2017
(E) Volumes and Service Array	1. MGH Board must maintain MGH's Scope of Acute Care Services as reported to OSHPD.	Quarterly	In Compliance	All services have been maintained.
	2. MGH Board must maintain MGH's services required by Exhibit G to the Loan Agreement between the General Member and Marin County, dated October 2008, as long as the Exhibit commitments are in effect.	Quarterly	In Compliance	All services have been maintained.
(F) Finances	1. MGH Board must maintain a positive operating cash-flow (operating EBITDA) for MGH after an initial phase in period of two fiscal years, and then effective as a performance metric after July 1, 2012, with performance during the phase in period monitored as if a Tier 2 metric.	Quarterly	In Compliance	**Schedule 2**
	2. MGH Board must maintain revenue covenants related to any financing agreements or arrangements applicable to the financial operations of MGH.	Quarterly	In Compliance	**Schedule 2**

Marin General Hospital

Performance Metrics and Core Services Report: **2nd Quarter 2018**

TIER 2 PERFORMANCE METRICS

In accordance with Tier 2 Performance Metrics requirements, the General Member shall monitor and the MGH Board shall provide necessary reports to the General Member on the following metrics:

		Frequency	Status	Notes
(A) Quality, Safety and Compliance	MGH Board will report on efforts to advance clinical quality efforts, including performance metrics in areas of primary organizational focus in MGH's Performance Improvement Plan (including Clinical Quality Reporting metrics and Service Line Quality Improvement Goals as developed, e.g., readmission rates, patient falls, "never events," process of care measures, adverse drug effects, CLABSI, preventive care programs).	Quarterly	In Compliance	**Schedule 3**
(B) Patient Satisfaction and Services	1. MGH Board will report on ten HCAHPS survey rating metrics to the General Member, including overall rating, recommendation willingness, nurse and physician communication, responsiveness of staff, pain management, medication explanations, cleanliness, room quietness, post-discharge instruction.	Quarterly	In Compliance	**Schedule 1**
	2. MGH Board will report external awards and recognition.	Annually	In Compliance	Reported in Q4 2017
(C) Community Commitment	1. MGH Board will report all of MGH's cash and in-kind contributions to other organizations.	Quarterly	In Compliance	**Schedule 4**
	2. MGH Board will report on MGH's Charity Care.	Quarterly	In Compliance	**Schedule 4**
	3. MGH Board will maintain a Community Health Improvement Activities Summary to provide the General Member, providing a summary of programs and participation in community health and education activities.	Annually	In Compliance	Reported in Q4 2017
	4. MGH Board will report the level of reinvestment in MGH, covering investment in excess operating margin at MGH in community services, and covering funding of facility upgrades and seismic compliance.	Annually	In Compliance	**Schedule 2**
	5. MGH Board will report on the facility's "green building" status based on generally accepted industry environmental impact factors.	Annually	In Compliance	Reported in Q4 2017
(D) Physicians and Employees	1. MGH Board will provide a report on new recruited physicians by specialty and active number of physicians on staff at MGH.	Annually	In Compliance	Reported in Q4 2017
	2. MGH Board will provide a summary of the results of the Annual Physician and Employee Survey at MGH.	Annually	In Compliance	Reported in Q4 2017
	3. MGH Board will analyze and provide information regarding nursing turnover rate, nursing vacancy rate, and net nursing staff change at MGH.	Quarterly	In Compliance	**Schedule 5**
(E) Volumes and Service Array	1. MGH Board will develop a strategic plan for MGH and review the plan and its performance with the General Member.	Annually	In Compliance	The updated MGH Strategic Plan was presented to the MGH Board on October 27, 2018.
	2. MGH Board will report on the status of MGH's market share and Management responses.	Annually	In Compliance	MGH's market share and management responses report was presented to the MGH Board on October 27, 2018.
	3. MGH Board will report on key patient and service volume metrics, including admissions, patient days, inpatient and outpatient surgeries, emergency visits.	Quarterly	In Compliance	**Schedule 2**
	4. MGH Board will report on current Emergency services diversion statistics.	Quarterly	In Compliance	**Schedule 6**
(F) Finances	1. MGH Board will provide the audited financial statements.	Annually	In Compliance	The MGH 2017 Independent Audit was completed on April 13, 2018.
	2. MGH Board will report on its performance with regard to industry standard bond rating metrics, e.g., current ratio, leverage ratios, days cash on hand, reserve funding.	Quarterly	In Compliance	**Schedule 2**
	3. MGH Board will provide copies of MGH's annual tax return (form 990) upon completion to General Member.	Annually	In Compliance	The MGH 2017 Form 990 was filed on November 15, 2018.

Schedule 1: HCAHPS

(Hospital Consumer Assessment of Healthcare Providers & Systems)

- **Tier 1, Patient Satisfaction and Services**
  The MGH Board will report on MGH's HCAHPS Results Quarterly.
- **Tier 2, Patient Satisfaction and Services**
  The MGH Board will report on ten HCAHPS survey rating metrics to the General Member, including overall rating, recommendation willingness, nurse and physician communication, responsiveness of staff, pain management, medication explanations, cleanliness, room quietness, post-discharge instruction.

Marin General Hospital
Overall Hospital HCAHPS
Trending by Quarter

Scores displayed here are based on interviews from CMS submitted data for the selected time periods.
Mode adjustments and ESTIMATED Patient Mix Adjustments have been applied to the dimension scores.
Scores for the individual questions do not have adjustments applied.

FY 2020 VBP Thresholds				3Q 2017	4Q 2017	1Q 2018	2Q 2018
71.59	79.11	85.12	**Overall rating**	**67.23**	**64.44**	**65.66**	**65.87**
			Would Recommend	**74.24**	**70.35**	**68.09**	**70.10**
79.08	83.55	87.12	**Communication with Nurses**	**73.88**	**72.01**	**72.60**	**72.00**
			Nurse Respect	86.45	81.97	83.47	86.61
			Nurse Listen	78.00	76.90	77.90	74.80
			Nurse Explain	74.90	74.86	74.73	72.88
80.41	84.87	88.44	**Communication with Doctors**	**75.40**	**72.91**	**76.83**	**75.15**
			Doctor Respect		85.35	83.74	85.25
			Doctor Listen		76.07	80.22	79.06
			Doctor Explain		74.72	80.32	74.93
65.07	73.44	80.14	**Responsiveness of Staff**	**62.19**	**60.79**	**62.08**	**65.89**
			Call Button	61.29	58.47	63.66	65.51
			Bathroom Help	70.29	70.31	67.29	73.08
CMS removed from VBP			**Pain Communication**			63.50	68.64
			Talk How Much Pain			62.41	70.47
			Talk Pain Treatment			64.60	66.80
63.30	69.17	73.86	**Communication about Medications**	**56.68**	**58.35**	**56.50**	**55.34**
			Med Explanation	74.47	75.40	76.47	77.00
			Med Side Effects	44.29	46.70	45.32	42.49
65.72	73.33	79.42	**Hospital Environment**	**53.62**	**53.57**	**52.85**	**54.62**
			Cleanliness	66.26	68.68	65.66	69.06
			Quiet	55.38	52.86	52.45	52.57
87.44	90.03	92.11	**Discharge Information**	**87.28**	**86.39**	**87.21**	**86.51**
			Help After Discharge	90.13	88.58	86.01	86.59
			Symptoms to Monitor	89.22	88.99	91.81	89.83
51.14	57.45	62.50	**Care Transition**			**47.16**	**45.22**
			Care Preferences			42.82	39.00
			Responsibilities			53.26	51.80
			Medications			59.81	59.26
			Number of Surveys	**253**	**358**	**373**	**371**

Thresholds Color Key:
National 95th percentile
National 75th percentile
National average, 50th percentile

Scoring Color Key:
At or above 95th percentile
At or above 75th percentile
At or above 50th percentile
Below 50th percentile

Official VPB (Value-Based Purchasing) monthly trending HCAHPS results are distributed by MGH Quality Management on the 15th of each month.

Schedule 2: Finances

- **Tier 1, Finances**
  The MGH Board must maintain a positive operating cash-flow (operating EBIDA) for MGH after an initial phase in period of two fiscal years, and then effective as a performance metric after July 1, 2012, with performance during the phase in period monitored as if a Tier 2 metric. The MGH Board must maintain revenue covenants related to any financing agreements or arrangements applicable to the financial operations of MGH.
- **Tier 2, Volumes and Service Array**
  The MGH Board will report on key patient and service volume metrics, including admissions, patient days, inpatient and outpatient surgeries, emergency visits.

Financial Measure	1Q 2018	2Q 2018	3Q 2018	4Q 2018
EBIDA $	$4,681	$7,149 ($11,830 total)		
EBIDA %	4.62%	3.46%		
Loan Ratios				
Current Ratio	4.34			
Debt to Capital Ratio	29.4%			
Debt Service Coverage Ratio	2.91			
Annual Debt Service Coverage		5.10		
Maximum Annual Debt Service Coverage		1.28		
Debt to Capitalization		49.82%		
Debt to EBIDA %	2.53			
Key Service Volumes				
Acute discharges	2,367	2374 (4,741 total)		
Acute patient days	11,305	10,721 (22,026 total)		
Average length of stay	4.78	4.65		
Emergency Department visits	9,348	5,484 (14,832 total)		
Inpatient surgeries	524	531 (1,055 total)		
Outpatient surgeries	1,101	1,133 (2,234 total)		
Newborns	251	283 (534 total)		

Schedule 3: Clinical Quality Reporting Metrics

- **Tier 2, Quality, Safety and Compliance**
  The MGH Board will report on efforts to advance clinical quality efforts, including performance metrics in areas of primary organizational focus in MGH's Performance Improvement Plan (including Clinical Quality Reporting metrics and Service Line Quality Improvement Goals as developed, e.g., readmission rates, patient falls, "never events," process of care measures, adverse drug effects, CLABSI, preventive care programs).

CLINICAL QUALITY METRICS DASHBOARD

Metrics are publicly reported on
CalHospital Compare (www.calhospitalcompare.org)
and
Centers for Medicare & Medicaid Services (CMS)
Hospital Compare (www.hospitalcompare.hhs.gov/)

MARIN GENERAL HOSPITAL DASHBOARD
CLINICAL QUALITY METRICS
Publicly Reported on CalHospital Compare (www.calhospitalcompare.org)
and Centers for Medicare & Medicaid Services (CMS) Hospital Compare (www.hospitalcompare.hhs.gov/)

Hospital Inpatient Quality Reporting Program Measures

	METRIC	CMS**	Q1 -2018	Q2 -2018	Q3 -2018	Q4-2018	Q2-2018 Num/Den	Rolling 2018 YTD	2018 YTD Num/Den	2017
	♦ Venous Thromboembolism (VTE) Measures									
VTE-6	Hospital Acquired Potentially-Preventable Venous Thromboembolism +	0%	0%	0%			0/4	0%	0/5	**8%**
	♦ Stroke Measures									
STK-4	Thrombolytic Therapy	100%	100%	100%			5/5	100%	7/7	100%
	♦ Sepsis Measure									
SEP-01	Severe Sepsis and Septic Shock: Management Bundle (Composite Measure)	76%	36%	**38%**			43/112	**37%**	97/260	**43%**
	♦ Perinatal Care Measure									
PC-01	Elective Delivery +	0%	0%	**4%**			1/24	**2%**	1/45	0%
	♦ ED Inpatient Measures									
ED-1	Median Time From ED Arrival to ED Departure for Admitted Patients	262***	**352.00**	**343.00**			192--Cases	**342.00**	387--Cases	**311.00**
ED-2	Admit Decision Time to ED Departure Time for Admitted Patients	90***	**121.00**	**104.00**			192--Cases	**109.00**	387--Cases	**96.00**
	♦ Global Immunization (IMM) Measure									
	METRIC	**CMS****						**2018**	**Rolling Num/Den**	**2017**
IMM-2	Influenza Immunization	100%						**94%**	484/515	**91%**
	♦ Psychiatric (HBIPS) Measures									
IPF-HBIPS-2	Hours of Physical Restraint Use	0.41	0.12	0.22			N/A	0.17	N/A	0.08
IPF-HBIPS-3	Hours of Seclusion Use	0.21	**0.58**	0.00			N/A	**0.38**	N/A	0.00
IPF-HBIPS-5	Patients Discharged on Multiple Antipsychotic Medications with Appropriate Justification	36%	60%	87%			27/31	71%	52/73	68%
	♦ Substance Use Measures									
SUB-1	Alcohol Use Screening	71%	100%	98%			163/166	99%	339/342	96%

** CMS Top Decile Benchmark CMS Reduction Program (shaded in blue) + Lower Number is better

MARIN GENERAL HOSPITAL DASHBOARD
CLINICAL QUALITY METRICS
Publicly Reported on CalHospital Compare (www.calhospitalcompare.org)
and Centers for Medicare & Medicaid Services (CMS) Hospital Compare (www.hospitalcompare.hhs.gov/)

	METRIC	CMS**	Q1 -2018	Q2 -2018	Q3 -2018	Q4-2018	Q4-2017 Num/Den	Rolling 2018 YTD	Rolling Num/Den	2017
Hospital Outpatient Quality Reporting Program Measures										
	METRIC	CMS**	Q1 -2018	Q2 -2018	Q3 -2018	Q4-2018	Q4-2017 Num/Den	Rolling 2018 YTD	Rolling Num/Den	2017
	♦ ED Outpatient Measures									
OP-18	Median Time from ED Arrival to ED Departure for Discharged Patients	143***	**153.50**	180.00			92--Cases	**169.50**	186--Cases	**164.00**
	♦ Outpatient Stroke Measure									
OP-23	Head CT/MRI Results for STK Pts w/in 45 Min of Arrival	72%***	**67%**	83%			5/6	**78%**	7/9	**67%**
	♦ Endoscopy Measures									
OP-29	Endoscopy/Polyp Surveillance: Appropriate Follow-up Interval for Normal Colonoscopy in Average Risk Patients	100%	100%	**95%**			18/19	**97%**	34/35	**99%**
OP-30	Endoscopy/Polyp Surveillance: Colonoscopy Interval for Patients with a History of Adenomatous Polyps - Avoidance of Inappropriate Use	100%	100%	100%			47/47	100%	92/92	**96%**

** CMS Top Decile Benchmark (Benchmark changes each time CMS updates the website) ***National Average + Lower Number is better

MARIN GENERAL HOSPITAL DASHBOARD
CLINICAL QUALITY METRICS
Publicly Reported on CalHospital Compare (www.calhospitalcompare.org)
and Centers for Medicare & Medicaid Services (CMS) Hospital Compare (www.hospitalcompare.hhs.gov/)

♦ Healthcare Personnel Influenza Vaccination

	METRIC	CMS National Average	Oct 2013 - Mar 2014	Oct 2014 - Mar 2015	Oct 2015 - Mar 2016	Oct 2016 - Mar 2017
IMM-3	Healthcare Personnel Influenza Vaccination	88%	71%	81%	95%	89%

♦ Surgical Site Infection

	METRIC	National Standardized Infection Ratio (SIR)	Jan 2016 - Dec 2016	April 2016 - March 2017	July 2016 - June 2017	Oct 2016 - Sep 2017
HAI-SSI-Colon	Surgical Site Infection - Colon Surgery	1	not published**	not published**	not published**	not published**
HAI-SSI-Hyst	Surgical Site Infection - Abdominal Hysterectomy	1	not published**	not published**	not published**	not published**

♦ Healthcare Associated Device Related Infections

	METRIC	National Standardized Infection Ratio (SIR)	Jan 2016 - Dec 2016	April 2016 - March 2017	July 2016 - June 2017	Oct 2016 - Sep 2017
HAI-CLABSI	Central Line Associated Blood Stream Infection (CLABSI)	1	1.32	0.92	0.24	0.24
HAI-CAUTI	Catheter Associated Urinary Tract Infection (CAUTI)	1	0.51	0.55	0.56	0.94

♦ Healthcare Associated Infections

	METRIC	National Standardized Infection Ratio (SIR)	Jan 2016 - Dec 2016	April 2016 - March 2017	July 2016 - June 2017	Oct 2016 - Sep 2017
HAI-C-Diff	Clostridium Difficile	1	1.80	1.48	1.21	1.15
HAI-MRSA	Methicillin Resistant Staph Aureus Bacteremia	1	1.86	1.84	1.34	1.35

♦ Agency for Healthcare Research and Quality Measures (AHRQ-Patient Safety Indicators)

	METRIC	Centers for Medicare & Medicaid Services (CMS) National Average	July 2012 - June 2014	July 2013 - June 2015	July 2014 - Sept 2015	Nov 2015 - Sept 2017
PSI-90 (Composite)	Complication / Patient Safety Indicators PSI 90 (Composite)	0.9	No different than the National Rate	No different than the National Rate	No different than the National Rate	No different than the National Rate

MARIN GENERAL HOSPITAL DASHBOARD
CLINICAL QUALITY METRICS
Publicly Reported on CalHospital Compare (www.calhospitalcompare.org)
and Centers for Medicare & Medicaid Services (CMS) Hospital Compare (www.hospitalcompare.hhs.gov/)

	METRIC	Centers for Medicare & Medicaid Services (CMS) National Average	July 2012 - June 2014	July 2013 - June 2015	July 2014 - Sept 2015	Nov 2015 - Sept 2017
PSI-4	Death Among Surgical Patients with Serious Complications	136.48 per 1,000 patient discharges	No different then National Average	No different then National Average	No different then National Average	No different then National Average
	♦ Surgical Complications					
		Centers for Medicare & Medicaid Services (CMS) National Average	April 2011 - March 2014	April 2011- March 2014	July 2014- March 2016	April 2014- March 2017
Surgical Complication	Hip/Knee Complication: Hospital-level Risk- Standardized Complication Rate (RSCR) following Elective Primary Total Hip/Knee Arthroplasty	2.8%	**3.6%**	**3.6%**	2.7%	2.5%
	♦ Acute Care Readmissions - 30 Day Risk Standardized					
	METRIC	Centers for Medicare & Medicaid Services (CMS) National Average	July 2011- June 2014	July 2012- June 2015	July 2013- June 2016	July 2013- June 2016
READM-30-AMI	Acute Myocardial Infarction Readmission Rate	16.0%	16.10%	16.10%	15.20%	14.80%
READM-30-HF	Heart Failure Readmission Rate	21.7%	**22.80%**	**22.50%**	20.19%	19.80%
READM-30-PN	Pneumonia Readmission Rate	16.7%	14.10%	15.10%	16.80%	15.90%
READM-30-COPD	COPD Readmission Rate	19.60%	18.40%	18.50%	18.70%	20.49%
READM-30-THA/TKA	Total Hip Arthroplasty and Total Knee Arthroplasty Readmission Rate	4.20%	4.60%	4.50%	4.00%	4.10%
READM-30-CABG	Coronary Artery Bypass Graft Surgery (CABG)	13.2%	**15.60%**	13.60%	**14.30%**	**13.70%**
READM-30-STR	Stroke Readmission Rate	11.90%	11.10%	10.00%	9.90%	10.40%
	METRIC	Centers for Medicare & Medicaid Services (CMS) National Average	July 2011- June 2014	July 2014- June 2015	July 2015 - June 2016	July 2016 - June 2017
HWR Readmission	Hospital-Wide All-Cause Unplanned Readmission (HWR)	15.3%	14.90%	14.60%	15.00%	**15.40%**

MARIN GENERAL HOSPITAL DASHBOARD
CLINICAL QUALITY METRICS
Publicly Reported on CalHospital Compare (www.calhospitalcompare.org)
and Centers for Medicare & Medicaid Services (CMS) Hospital Compare (www.hospitalcompare.hhs.gov/)

	♦ Mortality Measures - 30 Day					
	METRIC	**Centers for Medicare & Medicaid Services (CMS) National Average**	**July 2011- June 2014**	**July 2012- June 2015**	**July 2013- June 2016**	**July 2014- June 2017**
MORT-30-AMI	Acute Myocardial Infarction Mortality Rate	13.2%	11.70%	11.10%	12.90%	12.80%
MORT-30-HF	Heart Failure Mortality Rate	11.7%	**12.60%**	11.80%	11.70%	10.30%
MORT-30-PN	Pneumonia Mortality Rate	15.7%	**12.30%**	**17.40%**	**15.90%**	**15.90%**
MORT-30-COPD	COPD Mortality Rate	8.30%	7.30%	7.30%	7.96%	**9.30%**
MORT-30-STK	Stroke Mortality Rate	14.30%	13.40%	12.20%	11.70%	12.70%
CABG MORT-30	CABG 30-day Mortality Rate	3.10%	2.60%	2.60%	**3.46%**	**3.60%**
	♦ Cost Efficiency					
	METRIC	**Centers for Medicare & Medicaid Services (CMS) National Average**	**Jan 2013 - Dec 2013**	**Jan 2014 - Dec 2014**	**Jan 2015 - Dec 2015**	**Jan 2016 - Dec 2016**
MSPB-1	Medicare Spending Per Beneficiary (All)	0.98	**1.01**	**1.00**	**1.00**	**0.99**
			July 2011 - June 2014	**July 2012- June 2015**	**July 2013- June 2016**	**July 2014- June 2017**
MSPB-AMI	Acute Myocardial Infarction (AMI) Payment Per Episode of Care	$23,119	**$22,019**	$22,564	$21,192	$21,274
MSPB-HF	Heart Failure (HF) Payment Per Episode of Care	$16,190	**$16,871**	**$17,575**	**$16,904**	**$16,632**
MSPB-AMI	Pneumonia (PN) Payment Per Episode of Care	$17,026	**$14,889**	**$14,825**	**$17,429**	**$17,415**
	METRIC	**Centers for Medicare & Medicaid Services (CMS) National Average**			**July 2013 - June 2016**	**April 2014 - March 2017**
MSPB-Knee	Hip and Knee Replacement	$22,567			$22,502	$21,953

MARIN GENERAL HOSPITAL DASHBOARD
CLINICAL QUALITY METRICS
Publicly Reported on CalHospital Compare (www.calhospitalcompare.org)
and Centers for Medicare & Medicaid Services (CMS) Hospital Compare (www.hospitalcompare.hhs.gov/)

♦ Outpatient Measures (Claims Data)

	METRIC	Centers for Medicare & Medicaid Services (CMS) National Average	July 2013 - June 2014	July 2014 - June 2015	July 2015 - June 2016	July 2016 - June 2017
OP-8	Outpatient with Low Back Pain who had an MRI without trying Recommended Treatments First, such as Physical Therapy +	39.80%	Not Available	Not Available	Not Available	Not Available
OP-9	Outpatient who had Follow-Up Mammogram, Ultrasound, or MRI of the Breast within 45 days following a Screening Mammogram +	8.80%	6.70%	7.20%	6.80%	7.00%
OP-10	Outpatient CT Scans of the Abdomen that were "Combination" (Double) Scans +	7.80%	6.10%	4.10%	5.60%	4.80%
OP-11	Outpatient CT Scans of the Chest that were "Combination" (Double) Scans +	1.80%	0.30%	0.40%	0.10%	0.20%
OP-13	Outpatients who got Cardiac Imaging Stress Tests Before Low-Risk Outpatient Surgery +	4.80%	2.90%	4.00%	3.30%	3.50%
OP-14	Outpatients with Brain CT Scans who got a Sinus CT Scan at the Same Time +	1.60%	1.80%	1.00%	0.40%	0.40%
	METRIC	**Centers for Medicare & Medicaid Services (CMS) National Average**	**Jan 2013 - Dec 2013**	**Jan 2014 - Dec 2014**	**Jan 2015 - Dec 2015**	**Jan 2016 - Dec 2016**
OP-22	Patient Left Emergency Department before Being Seen	2.00%	1.00%	1.00%	1.00%	1.00%

+ Lower Number is better

Schedule 4: Community Benefit Summary

- **Tier 2, Community Commitment**
  The Board will report all of MGH's cash and in-kind contributions to other organizations.
  The Board will report on MGH's Charity Care.

Cash & In-Kind Donations (these figures are not final and are subject to change)					
	1Q 2018	**2Q 2018**	**3Q 2018**	**4Q 2018**	**Total 2018**
Brain Injury Network	$ 920	0			$ 920
Buckelew	25,000	0			25,000
Healthy Aging Symposium	0	1,000			1,000
Homeward Bound	150,000	0			150,000
Lifelong Medical Care	15,000	0			15,000
Marin Center for Independent Living	25,000	0			25,000
Marin Community Clinics	131,000	500			131,500
Marin County Patient Transportation	3,000	0			3,000
MHD 1206(b) Clinics	3,077,607	3,673,063			6,750,670
Operation Access	30,000	0			30,000
Prima Foundation	2,342,114	2,610,260			4,952,374
Ritter Center	25,000	0			25,000
RotaCare Free Clinic	15,000	0			15,000
To Celebrate Life	0	15,000			15,000
Zero Breast Cancer	0	5,000			5,000
Total Cash Donations	**$ 5,839,641**	**$ 6,304,823**			**$ 12,144,464**
Compassionate discharge medications	62	0			62
Meeting room use by community based organizations for community-health related purposes.	722	2,380			3,102
Food donations	940	940			1,880
Total In Kind Donations	**1,724**	**3,320**			**5,044**
Total Cash & In-Kind Donations	**$ 5,841,365**	**$ 6,308,143**			**$ 12,149,508**

Schedule 4, continued

Community Benefit Summary

(these figures are not final and are subject to change)

	1Q 2018	2Q 2018	3Q 2018	4Q 2018	Total 2018
Community Health Improvement Services	$ 34,891	$ 126,571			$ 161,462
Health Professions Education	96,473	32,395			128,868
Cash and In-Kind Contributions	5,841,365	6,308,143			12,149,508
Community Benefit Operations	1,359	5,175			6,534
Community Building Activities	0	0			0
Traditional Charity Care *Operation Access total is included	550,280	420,729			971,009
Government Sponsored Health Care (includes Medi-Cal & Means-Tested Government Programs)	7,368,588	6,722,236			14,090,824
Community Benefit Subtotal (amount reported annually to State & IRS)	**$ 13,892,956**	**$ 13,615,249**			**$ 27,508,205**
Unpaid Cost of Medicare	23,425,852	21,702,519			45,128,371
Bad Debt	311,372	279,239			590,611
Community Benefit, Community Building, Unpaid Cost of Medicare and Bad Debt Total	**$ 37,630,180**	**$ 35,597,007**			**$ 73,227,187**

Operation Access

Though not a Community Benefit requirement, MGH has been participating with Operation Access since 2000. Operation Access brings together medical professionals and hospitals to provide donated outpatient surgical and specialty care for the uninsured and underserved.

	1Q 2018	2Q 2018	3Q 2018	4Q 2018	Total 2018
*Operation Access charity care provided by MGH (waived hospital charges)	392,703	450,642			843,345
Costs included in Charity Care	73,222	84,025			157,247

Schedule 5: Nursing Turnover, Vacancies, Net Changes

- **Tier 2, Physicians and Employees**
  The MGH Board will analyze and provide information regarding nursing turnover rate, nursing vacancy rate, and net nursing staff change at MGH.

Turnover Rate				
Period	Number of Clinical RNs	Terminated		Rate
		Voluntary	Involuntary	
2Q 2017	540	12	2	2.59%
3Q 2017	534	21	1	4.12%
4Q 2017	525	20	1	4.00%
1Q 2018	520	14	0	2.69%
2Q 2018	538	12	0	2.23%

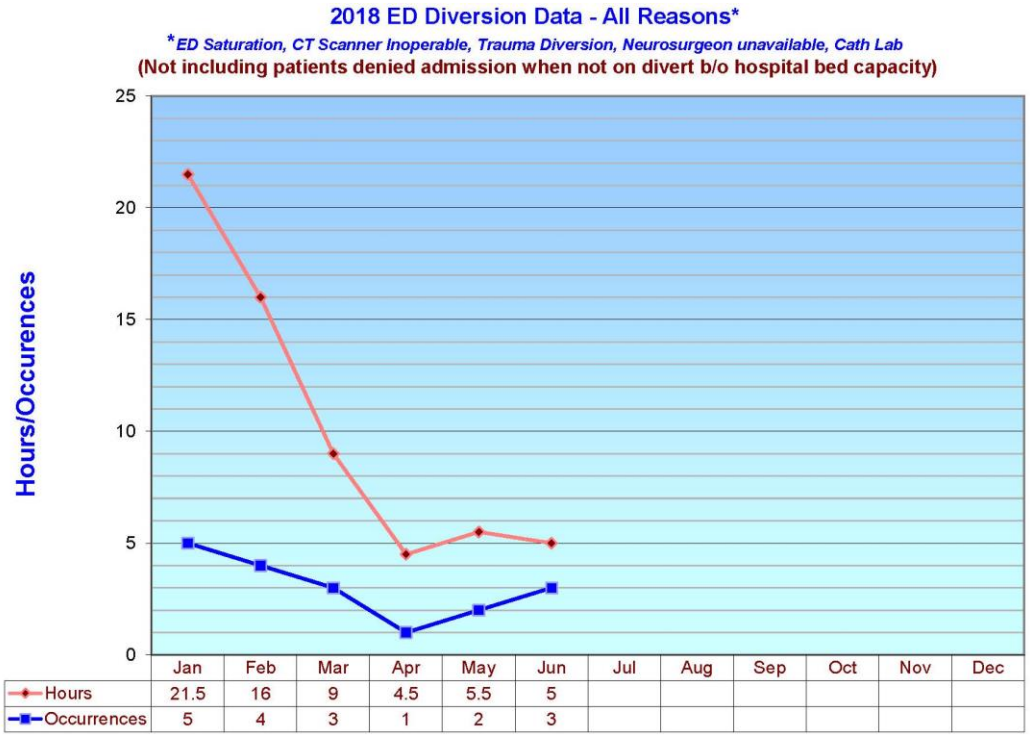
Vacancy Rate							
Period	Open Per Diem Positions	Open Benefitted Positions	Filled Positions	Total Positions	Total Vacancy Rate	Benefitted Vacancy Rate of Total Positions	Per Diem Vacancy Rate of Total Positions
2Q 2017	32	62	540	634	14.83%	9.78%	5.05%
3Q 2017	34	63	534	631	15.37%	9.98%	5.39%
4Q 2017	35	75	525	635	17.32%	11.81%	5.51%
1Q 2018	32	74	520	626	16.93%	11.82%	5.11%
2Q 2018	26	61	538	626	14.06%	9.74%	4.15%

Hired, Termed, Net Change			
Period	Hired	Termed	Net Change
2Q 2017	20	14	6
3Q 2017	18	22	(4)
4Q 2017	12	21	(9)
1Q 2018	11	14	(3)
2Q 2018	31	12	19

Schedule 6: Ambulance Diversion

- **Tier 2, Volumes and Service Array**
  The MGH Board will report on current Emergency services diversion statistics.

Quarter	Date	Time	Diversion Duration	Reason	Waiting Room Census	ED Admitted Patient Census
2Q 2018	Apr 20	1618 – 2057	4 hrs, 38 mins	ED	15	9
2Q 2018	May 3	1604 – 1730	1 hr, 25 mins	ED	7	4
2Q 2018	May 10	1813 – 2218	4 hrs, 4 mins	ED	12	6
2Q 2018	June 6	0046 – 0159	1 hr, 12 mins	ED	0	1
2Q 2018	June 14	1923 – 2220	2 hrs, 56 mins	ED	17	2
2Q 2018	June 28	2016 – 2109	0 hrs, 52 mins	ED	4	6



Tab 8

Marin General Hospital (MGH)
Marin Healthcare District (MHD)
2019 Annual Budget

The mission of MHD is to enhance the provision of quality health care in the communities served by the District; to support the highest quality care at Marin General Hospital to ensure the optimum operation of the Hospital for the communities it serves.

The MHD advocates quality and reasonably priced health care, provides a public forum for a discussion of health care issues affecting communities served by the district, and is an advocate for California district hospitals, at-large.

MHD has two distinct budgets; an administrative budget for the five-member elected Board and an operating budget for the District Clinics that currently offer 16 varying services in 13 operating locations in and around the County of Marin. Clinic sites and services are noted below.

	One Location	Shared Location(s)
• Cardiovascular Associates of Marin (CAM)	X	X
• San Rafael Primary Care	X	
• Sirona Vascular	X	X
• Marin Medical Group	X	
• Novato Internal Medicine	X	
• Marin Endocrine Clinic	X	
• El-Ghonemy Clinic	X	
• Tamalpais Internal Medicine	X	
• Urology Clinic	X	X
• Behavioral Health Services		X
• Palliative Care Services		X
• Rheumatology Clinic	X	
• Murphy Primary Care	X	
• Novato Medical Office		X
• After Hours Clinic		X
• Chase Primary Care	X	
• Andrews Primary Care	X	

Under the 2015 Lease Agreement between MGH and MHD, MGH provides funding support to the District Clinics to cover any shortfalls in clinic operations. This funding occurs on a monthly basis via a transfer of funds from MGH to MHD. Most accounting functions (general-financial statement preparation, accounts payable, payroll, regulatory & tax reporting) are provided by the MGH Finance Department. Revenue Cycle functions (coding, billing & collecting) historically were provided by a third-party, California Healthcare Medical Billing (CHMB). Effective January 1, 2019, revenue cycle functions for most of the District Clinics will continue to be serviced by CHMB but on behalf of UCSF.

Based on a 10-year Alliance established between UCSF, MGH and the Prima Medical Foundation (PMF), PMF clinic locations will be licensed to UCSF. In addition, MHD professional service agreements (PSAs) will be transferred to PMF. As such, UCSF will be responsible for the revenue cycle functions of all clinics and will remit the net collections to the clinics after administrative fees. UCSF will also pay a monthly management fee to PMF for provision of management services to the clinics.

2019 Clinic Budget

Management is requesting approval of the MHD clinic budget of $14.1M with funding provided by MGH. The $14.1M is 0.1% ($14K) less than the expected funding for 2018. Expected funding is based on the seven months ending July 31, 2018 actual performance annualized. Significant changes from 2018 are noted below.

Consolidated

Several prevailing factors impacted multiple clinics and are summarized as below:

- MHD clinic employees transitioned from the previous management company to PMF in December 2017. Following the transition, compensation rates were adjusted to be market competitive and employee benefits were augmented. Beginning with the 2019 budget, certain costs that have been categorized as salaries and wages will be reclassified to benefits.
- Since its opening in 2017, financial results of the Novato Medical Office have included the primary care group (North Marin Internal Medicine) and all specialties who operate within this space. Beginning in 2019, operations of the primary care group will be reported separately and an allocation of rent and other shared expenses will be reported for each of the specialties. There will no longer be financial results presented within this clinic.
- Since joining the MHD clinic operations in 2017, Dr. Chase's practice has been presented in conjunction with the rheumatology practice at 2 Bon Air since they occupy shared space. Beginning with the 2019 budget, these practices will be presented separately.
- Given that the revenue cycle functions will be assumed by UCSF effective January 1, 2019, budgeted billing fees have been reduced by 75% to account for the costs to collect any legacy AR in existence as of year-end.
- Other operating revenues and additional supplies expenses have been budgeted in many clinics to address the expected increase in Prolia and Shingrix vaccination demands.
- Many practice relocations and renovations were completed in 2018 which resulted in increased rental costs due to additional space, tenant improvements and associated common area maintenance expenses.

CAM

Expected increases in productivity, revenues and professional fees related to the addition of 4 new providers for service line expansion and succession planning. In addition, 13.51 additional FTE's were budgeted to address staffing shortages noted within the service line study and to convert contractors involved with the Ornish program. Increases in rent due to the relocation into a new and larger space and tenant improvements.

Sirona Vascular

Increased expected revenues due to productivity increases with a fully-staffed panel of physicians and advanced practitioner as well as a new wound care service. Employee salaries and benefits increases reflect approved positions that have been unfilled. Increases in rent due to the allocation of rent for usage of multi-specialty facilities. Supplies increases related to the increased productivity and new wound care service.

North Marin Internal Medicine

See notes regarding the change in presentation for operations housed in Novato Medical Office. North Marin Internal Medicine consists of 5 physicians and is stable from a staffing perspective. The practice is planning to add a front office coordinator to assist with updated process protocols with the UCSF transition. Other changes from current year operations include additional revenues and supplies expenses related to Prolia and Shingrix vaccinations.

Marin Endocrine

Increased expected revenues due to productivity increases with physicians who will move from guarantees to productivity compensation and Prolia vaccinations. Employee salaries and benefits decreases due to the transfer of the bone density program to the hospital. Increases in supplies directly related to Prolia vaccine costs. Increases in rent due to the allocation of rent for usage of multi-specialty facilities.

Tamalpais Internal Medicine

Reduced productivity and corresponding revenues expected in this practice given the departure of a physician. While replacement of the position is planned, onboarding will occur in the latter part of the year to facilitate the UCSF EMR transition. Employee salaries and benefits are expected to increase due to planned merit increases and fully-staffed clinic.

Urology

Increased productivity, revenues and professional fees associated with the addition of a new physician. Employee salaries and benefits are expected to increase due to planned merit increases and fully-staffed clinic. Increases in rent due to the relocation into a new and larger space, tenant improvements and the allocation of rent for usage of the multi-specialty facilities.

Clinic Administration/Andrews

Clinic administration over MHD clinics have been moved to Prima and financial results will no longer be presented under MHD. However, a current Prima primary care physician, Dr. Andrews, is expected to be transferred to MHD and is included within the presented budget.

Behavioral Health

Note: Based on action taken by the MHD Board, $200K in support is provided from District funds to MGH in support of this service. This funding is reflected as part of the MGH support for the service.

Increases in expected productivity as the service line continues to mature and new physicians are recruited are planned along with corresponding increases in revenues and professional fees. Insurance

expenses are expected to increase due to the additional physicians. Increases in rent due to the allocation of rent for usage of multi-specialty facilities.

Palliative Care

This service line has been combined with the Supportive Care practice within Prima with the departure of the physician recruited to establish this practice.

2 Bon Air – Rheumatology

Previously, this practice was presented with Dr. Chase's practice. Beginning in 2019, operations of this practice will be presented separately. A new physician is expected to be added to this practice. No significant incremental costs other than physician compensation is expected.

Murphy

Planned physician recruitment and a fully-staffed advanced practitioner panel account for the expected increases in productivity, revenues, and professional fees. Both currently unfilled and newly budgeted positions account for the increases in employee salaries and benefits. Other changes from current year operations include additional revenues and supplies expenses related to Shingrix vaccinations. Rent expenses are expected to increase due to the move into a new and larger space as well as tenant improvements.

Novato Medical Office

Since its opening in 2017, financial results of this clinic have included the primary care group (North Marin Internal Medicine) and all specialties who operate within this space. Beginning in 2019, operations of the primary care group will be reported separately and an allocation of rent and other shared expenses will be reported for each of the specialties. There will no longer be financial results presented within this clinic.

After Hours Clinic

Expected increases in productivity, revenues and expenses are due to a full year's worth of operations for this practice. Incentive payments from health plans received in 2018 to partially offset start-up costs will not recur in 2019.

Chase

Previously, this practice was presented within the 2 Bon Air results along with Rheumatology. Beginning in 2019, operations of this practice will be presented separately. No significant changes are planned for this clinic.

2019 Administrative Budget

Management is requesting approval of the MHD administrative budget of $11.4M in net income and $12.9M in net cash flow. Budgeted rental income from MGH and tax revenues for the servicing of the general obligation bonds have been updated from current year results based upon expectations. Expenses remain unchanged from the 2018 budget and current performance with the exception of auditor expenses and depreciation which have been updated to reflect current activity.

	Marin Healthcare District						
	Budget						
	FYE: December 31, 2019						
				1/1/18 through 9/30/18 (9 months)			
			FY2018 Budget	**To Date - Budget**	**To Date - Actual**	**Variance**	**FY2019 Budget**
1	**Receipts**						
2	MGHC Cash Rental Income - Lease		$521,221	$390,916	$390,915	($0)	$532,167
3	Interest Income		3,000	2,250	3,035	785	3,000
4	Investment Earnings		-	-	(11,036)	(11,036)	-
5	Tax Revenue		12,876,590	9,657,443	11,171,173	1,513,731	12,731,482
6	**Total Receipts**		**$13,400,811**	**$10,050,608**	**$11,554,088**	**$1,503,480**	**$13,266,649**
7							
8	**Disbursements**						
9	Legal Fees - Counsel - General		40,000	30,000	28,113	1,887	40,000
10	Auditor Expenses		30,000	22,500	15,000	7,500	27,000
11	Board Compensation		12,200	9,150	9,700	(550)	12,200
12	Board Expenses - Meetings & Travel		25,000	18,750	22,111	(3,361)	25,000
13	Assn of California Healthcare Districts		12,000	9,000	9,000	-	12,000
14	Charitable Contributions		6,000	4,500	-	4,500	6,000
15	Consulting		-	-	-	-	-
16	Community Communications & Education		50,000	37,500	50,433	(12,933)	50,000
17	Lafco Allocation		-	-	-	-	-
18	Depreciation		1,814,909	1,361,182	1,061,739	299,443	1,499,953
19	1206b Mental Health Clinic Support		200,000	150,000	150,000	(0)	200,000
20	Advertising		-	-	1,195	(1,195)	-
21	**Total Disbursements**		2,190,109	1,642,582	1,347,291	295,291	1,872,153
22							
23	**Net Income/(Loss)**		**$ 11,210,702**	**$ 8,408,027**	**$ 10,206,797**	**$ 1,798,771**	**$ 11,394,495**
24							
25	**Cash Flow**						
26	Net Income/(Loss)		$11,210,702				$11,394,495
27	Add Back:						
28	Depreciation		1,814,909				1,499,953
29							
30	**Net Cash Flow**		**$13,025,611**				**$12,894,449**

	District Clinics						
	2019 Budget Roll Up						
	as of 11/21/18						
		2017 Actual	**2018 Budget**	**YTD July 18 Annualized**	**2019 Budget**	**Variance to YTD July Annualized**	**% Change 2018 v 2019**
1	Revenue						
2	OP Patient Services Revenue	21,662,547	24,436,682	24,211,645	26,476,134	2,264,489	9.4%
3	**Net Patient Revenue**	**21,662,547**	**24,436,682**	**24,211,645**	**26,476,134**	2,264,489	9.4%
4							
5	Other Operating Revenue						
6	MIPA / Medicare Bonus	427,615	338,076	305,970	473,904	167,934	54.9%
7	SNF Income	136,290	144,283	132,857	133,000	143	0.1%
8	Other Operating Revenue	378,340	1,092,909	675,794	1,262,862	587,068	86.9%
9	Total Other Operating Revenue	942,245	1,575,268	1,114,621	1,869,766	755,145	67.7%
10	**Total Income**	**22,604,792**	**26,011,950**	**25,326,266**	**$ 28,345,900**	3,019,634	11.9%
11							
12	Expenses						
13	MD Compensation	16,212,132	19,095,168	19,770,706	21,316,339	1,545,633	7.8%
14	NP Compensation	1,157,066	1,762,420	1,123,944	950,463	(173,481)	-15.4%
15	Salaries & Wages	7,723,312	9,420,664	9,454,553	9,823,452	368,899	3.9%
16	Employee Benefits	988,127	948,279	1,421,987	2,525,404	1,103,417	77.6%
17	Purchased Services	2,383,433	1,722,318	1,805,444	607,526	(1,197,918)	-66.4%
18	Professional Fees	171,682	195,258	355,720	41,631	(314,089)	-88.3%
19	Supplies	1,750,198	1,460,307	1,449,077	2,269,667	820,590	56.6%
20	Depreciation	153,172	150,082	158,198	157,280	(918)	-0.6%
21	Rent & Leases	2,392,670	2,468,674	2,729,653	3,659,443	929,790	34.1%
22	Interest	652	716	405	471	66	16.2%
	Insurance	158,577	430,482	395,352	446,966	51,614	13.1%
	Utilities	208,609	198,698	292,220	257,069	(35,151)	-12.0%
23	Other	703,823	1,035,474	447,114	382,899	(64,215)	-14.4%
24	**Total Expenses**	**34,003,453**	**38,888,540**	**39,404,373**	**$ 42,438,610**	3,034,237	7.7%
25							
26	**Net Income / (Loss)**	**(11,398,661)**	**(12,876,590)**	**(14,078,107)**	**(14,092,710)**	(14,603)	0.1%
27	**RVUs**	260,995	293,446	299,012	315,628	16,616	5.6%
28	**Rev/RVU**	83.00	83.27	80.97	83.88	3	3.6%
29	**Cost/RVU (total)**	130.28	132.52	131.78	134.46	3	2.0%
30	**Cost/RVU (MD)**	62.12	65.07	66.12	67.54	1	2.1%

Tab 9

Marin Healthcare District

Creating a healthier Marin together.

November 28, 2018

TO: Marin Healthcare District Board
Citizens Bond Oversight Committee

FROM: James P. McManus, Chief Financial Officer
Marin Healthcare District

SUBJECT: Annual Report of Sources & Uses of Marin Healthcare District General Obligation (GO) Bonds

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Pursuant to Government Code Section 53411, the Chief Fiscal Officer is required to file a report with the Governing Body of the District each January 1st after issuance of General Obligation Bonds. In a communication to the Marin Healthcare District Board and Bond Oversight Committee dated December 18, 2015, the Reporting Period of October 31 of each year was selected. This report covers all bond activity of the District for the period November 1, 2017 through October 31, 2018 and is formatted in accordance with subparts (a) and (b) of Government Code Section 53411.

(a) The amount of funds collected and expended.

No general obligation bonds were issued during the Reporting Period. The entire $394,000,000 in General Obligation Bonds was issued in the two prior Reporting Periods.

Proceeds from the issuance of the bonds are held by the Bank of New York Mellon (BNY) Trust Company, also known as the Paying Agent. The Marin Healthcare District issues requisitions, authorizing BNY to pay for expenditures associated with the Voter Measure detailed in (b) below.

(b) The status of any project required or authorized to be funded as identified in subdivision (a) of Section 53410 (specific purposes of the Bond).

Voter Measure F

Measure F which was approved on November 5, 2013 was placed on the ballot as a result of the Board's determination that the District needs funds to:

- Make seismic upgrades to Marin General Hospital (MGH) to meet stricter California earthquake standards and keep open Marin County's only Designated Trauma Center;
- Expand and enhance emergency and other medical facilities;
- Provide modernized medical facilities for treatment of heart, stroke, cancer and other diseases

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During the Reporting Period, construction continued on the Marin General Hospital Replacement project branded as MGH2.0. As of the date of this report, the project is estimated to be 50% complete.

For the reporting period ending October 31, 2018, 18 requisitions totaling $96,593,885 were issues as follows:

	Reporting Period Ending 10/31/2018	Project Total
Hospital Replacement Project Expenditures		
• Hospital Replacement	$92,246,660	$ 186,071,326
• West-Wing Make Ready	4,055,416	19,480,671
• West-Wing Ground + L1		305,172
• Sitework		86,681
Total Hospital Replacement Project Expenditures	$96,302,076	$205,943,850
Parking Garage Expenditures		
• Parking Structure	291,809	24,820,208
Total	$96,593,885	$230,764,058

Citizens Bond Oversight Committee

In accordance with Measure F, a six member Citizens Bond Oversight Committee was created for the purpose of informing the public about expenditures of Measure F bond funds and to ensure that proceeds are expended for the purposes described in Measure F. This Committee meets quarterly and operates under a Charter which has been approved by the Governing Board of the Marin Healthcare District.

For additional information and periodic updates, please visit the Marin Healthcare District website at: http://www.marinhealthcare.org/marin-general-hospital/bond-committee.